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INFORMATION REPORT

COUNTRY

Austria

SUBJECT

Austrian Resin Industry

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1. The two important Austrian firms which deal in resin products are Landwirtschaftliche Genossenschaft fuer Harzprodukte, Piesting, Lower Austria, which accounts for 7% of the production, and Franz von Furtenbach, Ungargasse 5, Wiener Neustadt, Lower Austria, which accounts for 25% of the production. Before 1938, both firms were able to take care of all Austrian requirements for resin products, and some turpentine was exported to Hungary. No resin-producing facilities exist in western Austria, since pitch-producing fir trees grow only in eastern Austria.

2. Austrian resin products are consumed for the most part within Austria. Colophony for sizing is largely exported to western Austria, where most of the Austrian paper factories are located. (The only two important paper factories in eastern Austria are Schlogelmühl, Gloggnitz, and W. Mamberger, Piisten). Colophony for the production of paints is sold to the following paint firms: Fluck und Becking; Vinzenz Wagner; Hoernberger Lack-u. Farbenfabrik, E. L. W., near Leopoldsdorf; W. Megerle, Lackfabrik u. Rivaliwerke, Christian-Buchergasse 35, Vienna XXI; Ludwig Marx, Gaden, Vienna XXIV. All these firms are under Russian control. The only paint firm under Austrian control is Lackfabrik O. Fritze, Stachegasse 16, Vienna XII. Colophony for the special oils used in metal casting plants is not produced by the Landwirtschaftliche Genossenschaft, since it is a monopoly of the Furtenbach factory. The most important customer for this type of oil is Hütte Linz (Field Comment: Presumably, the Vereinigte Stahl-und Eisenwerke, Linz). In eastern Austria, the two USIA-held firms at Traisen and Leobersdorf buy this particular type of oil.

3. In 1936, Landwirtschaftliche Genossenschaft produced: 12,000 tons colophony
 1,700 " turpentine
 Furtenbach produced 4,000 " colophony
 600 " turpentine

In 1947, production was about 20% of the pre-war output.

Out of present production, 40% goes to USIA firms. Until the Russians forbade deliveries to western Austria, there was no pressure to deliver to USIA firms. Since USIA firms pay very high prices, they naturally acquire the available colophony and turpentine. Neither the Landwirtschaftliche Genossenschaft nor the Furtenbach firm has as yet dealt directly with central USIA headquarters.

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In Vienna, for each U.S.A. plant taken independent purchasing arrangements. In exchange for turpentine or colophony, U.S.A. firms may, for example, supply raw materials or mineral oil.

4. The following are the prices in schillings per kilo of resin and resin products:

	1938	1942	Black Market
Resin	.60	3.80	
Colophony	.60 to .70	5.60	30.00
Turpentine	2.00	6.60	60.00

5. The Russians now pay about 15 to 20 schillings per kilo for resin and receive virtually all the resin produced by small dealers.
6. Because of the lack of resin products within Austria at this time, the paper factories in the western zones are buying from the United States a large amount of the colophony needed in paper production. The Furtenbacher Film and Landwirtschaftliche Cooperaionsgenossenschaft also import some colophony from the United States, some of which ends up in Russian hands. Both firms charge higher prices for imported colophony and turpentine; they even sell some native stocks at the same price by claiming they are imported.

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